

his officers, servants, and agents; and to determine, so far as relates to the levying of penalties, every question whenever arising relative to the time of proceeding to sea, or putting into harbour, or the necessity of stopping to assist any vessel in distress, or to save human life. Provided, however, that the words "to determine every question" shall not confer upon such officer the power of control over the commander of the steam vessel conveying the said mails; and provided that, in case at any time there should be more than one such mail officer or agent, as aforesaid, the authority, as aforesaid, of such one only shall be paramount as the said Postmaster-General shall notify to the said commander as having paramount authority.

16. That in this agreement the term "mails," shall be taken to comprehend all letters, boxes, bags, or packets of letters, newspapers, books, or printed papers sent by the post to whatever country or place they may be addressed, or in whatever country or place they may have originated; and all empty bags and other stores used, or to be used, in carrying on the post office service, which shall be sent by or to or from any post office.

17. That the whole of the postage of all mails conveyed in the vessels employed under this agreement, whether carried from or out of Her Majesty's Dominions or otherwise, shall belong to Her Majesty, and shall be at the disposal of the said Postmaster-General.

18. That the said Contractor shall not assign, underlet, or dispose of this agreement, or any part thereof, without the consent of the said Postmaster-General, signified in writing under his hand, or under the hand of the Secretary of the Post Office of New Zealand; and that in case of the same, or any part thereof, being assigned, underlet, or otherwise disposed of, or of any gross or habitual breach of this agreement, or any covenant, matter, or thing herein contained on the part of the said Contractor, or his agents or servants, and whether there be or be not any penalty or sum of money payable by the said Contractor for any breach, it shall be lawful for the said Postmaster-General, if he shall think fit (and notwithstanding there may or may not have been any former breach of this agreement), by writing under his hand, or under the hand of the Secretary of the Post Office in New Zealand, to determine this agreement, without any previous notice to the said Contractor or his agents, nor shall the said Contractor be entitled to any compensation in respect of such determination.

19. That in consideration of the covenants and agreements hereby entered into by the said Contractor, and of the due performance thereof by him, there shall be paid to him during the continuance of this agreement, in respect of the services specified herein, the sum of fifteen thousand pounds for twelve complete services to and from San Francisco and Sydney, or the sum of one thousand two hundred and fifty pounds for each complete service to and from Sydney and San Francisco, payment for each complete service, as aforesaid, to be made on the return of each vessel from San Francisco to Sydney. Provided that, on the written request of the said Contractor, the said Postmaster-General may, at his option, and on such conditions as he may think fit, make payments in advance on account of sums becoming due for such services; but such payment shall not in any way affect the liability of the said Contractor to carry out the provisions of this agreement.

20. That during the continuance of this agreement, and so long as the same shall be faithfully carried out by the said Contractor, no charges for pilotage, lighthouse dues, or wharfage shall be made at the port of Auckland for any of the steam vessels carrying the mails referred to herein.

21. That all payments of premiums for the delivery of mails in less than contract time, and of sums of money by way of penalty for delay in the delivery of mails, or for other breaches of this agreement, shall be made every six months.

22. That this agreement is to continue for twelve months from the twenty-sixth day of March next—that is to say, until the completion of twelve services to and from Sydney and San Francisco. Provided that, at the option of the said Contractor, notice of which must be given to the said Postmaster-General in writing within six months from the date of the first steamer leaving Sydney, this agreement may be continued for a further term of four years.

23. That if the said Contractor shall at any day or hour appointed in the time table hereto annexed, at any of the ports or places appointed or named in the said time table, or at any of the several ports or places at which an efficient vessel ought to be provided as aforesaid, fail to put, or cause to be put an efficient steam vessel to sea, in accordance with the terms of this agreement, then, and so often as the same shall happen, the said Contractor shall forfeit and pay unto Her Majesty, her heirs and successors, for the benefit of the postal revenue of the Colony of New Zealand, the sum of two pounds per hour for the first twenty-four hours, and a further sum of thirty shillings per hour for every hour after the first twenty-four hours, which shall elapse until such vessel actually proceeds to sea on her voyage in performance of this agreement. Provided that the payment of any such sum shall not be enforced against the said Contractor if it be shown by him, to the satisfaction of the said Postmaster-General, that the default has arisen from causes over which he had not and could not have control.

24. That the said Contractor shall provide, or cause to be provided, on board all steam vessels to be employed or used under this agreement, between Sydney and San Francisco, a proper, safe, and convenient place of deposit for the mails, with secure fastenings, lock and key, and to the satisfaction of the said Postmaster-General. And also that the said Contractor shall provide on board each of the steam vessels to be employed under this agreement in the service between Sydney, New Zealand, and Honolulu, all necessary and suitable accommodation, including lighting, to the satisfaction of the said Postmaster-General, for the purpose of sorting and making up the mails thereby conveyed. And on being required by such Postmaster-General so to do, will, at his own cost, erect on each of such vessels a separate and convenient room for such purpose. And that the crew of each of the said vessels shall assist in conveying the mails between the mail room and the sorting room (if any), to be erected as aforesaid, or other separate sorting-room used as such for the time being.

25. That as often as the said Postmaster-General, during the continuance of this agreement, shall think fit to intrust the charge or custody of the mails to the master or commander of any vessel to be employed for the time being in the performance of this agreement, and in all cases where the officer or other person appointed to have charge of the mails shall be absent, the master or commander of such vessel shall, without any charge other than that herein provided to be paid to the said Contractor, take